UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

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In Re:

RITE AID CORPORATION, et al.

Case No. 23-18993-MBK

Judge: MICHAEL B. KAPLAN

Chapter 11

(Jointly Administered)

CITTA ENTERPRISES CO, LLC'S MOTION TO SET DEADLINE TO ACCEPT OR REJECT LEASE PURSUANT TO 11 U.S.C. § 365(D)(2)

CITTA Enterprises Co, LLC ("Citta"), through undersigned counsel, hereby moves for entry of an order pursuant to 11 U.S.C. § 365(d)(2) setting the deadline for Rite Aid Corporation ("Debtor"; with the other debtors in this matter, the "Debtors") to accept or reject the lease between Citta and Debtor to January 31, 2024, and, in support thereof, avers as follows:

- 1. Pursuant to a lease dated March 10, 2003, which was subsequently assigned (the "Lease"), Debtor leases the premises located at 2 Route 37 East Toms River, New Jersey 08753 from Citta. A copy of the Lease is attached hereto as Exhibit A.
 - 2. The Lease is unexpired.
- 3. By Order dated December 20, 2023, the Court granted the Debtors' motion to extend the time for the Debtors to accept or reject unexpired leases and extended such deadline

to "the earlier of: (a) May 13, 2024, and (b) the date of confirmation of the Debtors' chapter 11 plan (subject to the occurrence of the effective date of such plan)." (Doc 1132)

- 4. Pursuant to 11 U.S. Code § 365(d)(2), "the court, on the request of any party to [an executory contract or unexpired lease], may order the [Debtor] to determine within a specified period of time whether to assume or reject such contract or lease."
- 5. Citta requests that the Court require Debtor to formally accept or reject the Lease by January 31, 2024 for two reasons.
- 6. First, Debtor has not paid the property taxes due to be paid under the Lease despite demand. It is an undue burden on Citta to keep the property in limbo and unable to be leased to a new tenant while Debtor is not paying the amounts owed to Citta under the Lease.
- 7. Second, on November 11, 2023, Citta informed Debtor that it will not agree to Debtor's proposed lease amendments, rendering rejection of the Lease an inevitability. *See* November 11, 2023 emails attached hereto as Exhibit B.
- 8. Debtor indicated that it would reject the Lease if an agreement with Citta on new lease terms was not reached by November 10, 2023. See November 6, 2023 letter attached hereto as Exhibit C. However, no agreement was reached by that date and Debtor failed to include the Lease on any of the subsequently filed Notices of Rejection of Certain Executory Contracts and/or Unexpired Leases.
- 9. Instead, by letter dated December 11, 2023, attached hereto as Exhibit D, Debtor moved the purported deadline to reach an agreement to January 17, 2024.
- 10. No agreement will be reached by such date inasmuch as the terms proposed by Debtor are onerous and unacceptable.

Case 23-18993-MBK Doc 1434-1 Filed 01/10/24 Entered 01/10/24 15:38:01 Desc Motion Page 3 of 3

11. Based upon Debtor's prior actions in simply extending its self-imposed deadlines,

and the fact that the Debtors requested extra time to accept or reject leases, it appears unlikely

that Debtor will promptly reject the Lease after January 17, 2024.

12. Again, it is an undue burden on Citta to keep the property in limbo for potentially

months longer should Debtor continue to delay rejecting the Lease.

13. For these reasons, Citta respectfully requests that the Court require Debtor to

formally accept or reject the Lease by January 31, 2024. Citta further requests that the Lease be

deemed rejected as of February 1, 2024 if Debtor fails to file a document indicating that it is

accepting or rejecting the Lease by January 31, 2024.

WHEREFORE, Citta respectfully requests that the Court grant this Motion and enter the

form of order submitted herewith.

Respectfully submitted,

BRAVERMAN KASKEY GARBER PC

Dated: January 10, 2024 BY: /s/ Isabella H. Gray

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